

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

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HOUSE DRH50853-MC-283 (05/12)

Short Title: Community Economic Development Funds. (Public)

Sponsors: Representative Wainwright.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO APPROPRIATE FUNDS TO COMMUNITY INSTITUTIONS TO ASSIST
3 SMALL FARMERS AND RURAL LANDOWNERS, SUPPORT ECONOMIC
4 DEVELOPMENT ACTIVITIES IN MINORITY NEIGHBORHOODS AND
5 COMMUNITIES, ASSIST MINORITY- AND WOMEN-OWNED BUSINESSES, AND
6 PROVIDE ACCESS TO AFFORDABLE FINANCE SERVICES AND
7 ASSET-BUILDING OPPORTUNITIES STATEWIDE.

8 Whereas, the General Assembly finds record levels of decline in new housing starts,
9 rising unemployment, and tightened credit markets leading to an unprecedented economic crisis
10 for ever-increasing numbers of North Carolinians; and

11 Whereas, North Carolina has invested in a network of statewide organizations that
12 provide assistance with accessing economic opportunities for individual and community-based
13 efforts across the State; and

14 Whereas, these organizations have a proven track record and have demonstrated the
15 ability, in the past, to quickly and flexibly deploy public and private resources to support
16 community building throughout the State; and

17 Whereas, these organizations are ready to respond to recovery initiatives, prioritized
18 by the State, to offset the housing and economic disaster the State is now experiencing; and

19 Whereas, continued State support of this network of organizations will achieve the
20 following purposes:

- 21 (1) To preserve and create jobs and promote economic recovery;
- 22 (2) To assist those most impacted by the recession;
- 23 (3) To provide investments needed to increase economic efficiency in spurring
24 small business and community-based economic development, especially
25 through the use of green technologies;
- 26 (4) To invest in environmental protection, housing and sustainable economic
27 development, and other State infrastructure that will provide long-term
28 economic benefits; and
- 29 (5) To stabilize home values and municipal tax bases in order to minimize and
30 avoid reductions in essential services and counterproductive State and local
31 tax increases; Now, therefore,

32 The General Assembly of North Carolina enacts:

33 **SECTION 1.** There is appropriated from the General Fund to the Department of
34 Commerce the sum of fifty-five thousand five hundred eighty dollars (\$55,580) for the
35 2010-2011 fiscal year to be allocated to the Land Loss Prevention Project for the purpose of



1 continuing expansion of legal representation to financially distressed small farmers and to rural
2 landowners in underserved tobacco-dependent communities. The Land Loss Prevention Project
3 shall not use these funds to represent farmers who have income and assets that would make
4 them financially ineligible for legal services under Part 1611 of Title 45 of the U. S. Code of
5 Federal Regulations.

6 **SECTION 2.** There is appropriated from the General Fund to the Department of
7 Commerce the sum of seventy-six thousand nine hundred ninety dollars (\$76,990) for the
8 2010-2011 fiscal year to be allocated to The North Carolina Association of Community
9 Development Corporations, Inc., for the purpose of strengthening the State's economy through
10 community-based development activities, including enhancing the work of community
11 development corporations in building prosperous communities.

12 **SECTION 3.** There is appropriated from the General Fund to the Department of
13 Commerce the sum of five hundred fourteen thousand five hundred two dollars (\$514,502) for
14 the 2010-2011 fiscal year to be allocated to the North Carolina Community Development
15 Initiative, Inc., and its subsidiary, Initiative Capital, to strengthen the investment in low-wealth
16 communities in North Carolina by awarding grants and loans and by increasing the loan loss
17 reserves to attract, retain, and leverage private sector low-interest rate loans, venture capital
18 funds, and philanthropic resources in order to expand the green building/conservation-based
19 housing and commercial programs, create jobs, expand technical assistance, and support
20 economic stimulus activities.

21 **SECTION 4.** There is appropriated from the General Fund to the Department of
22 Commerce the sum of two hundred seventy-six thousand six hundred seventeen dollars
23 (\$276,617) for the 2010-2011 fiscal year to be allocated to the North Carolina Institute of
24 Minority Economic Development for managerial technical assistance, loans, and contract
25 financing, to increase access of small firms to market opportunities and credit facilities,
26 especially in underdeveloped communities, and to increase job retention and job creation
27 initiatives among small and medium-sized businesses.

28 **SECTION 5.** There is appropriated from the General Fund to the Department of
29 Commerce the sum of three hundred ninety-three thousand seven hundred sixteen dollars
30 (\$393,716) for the 2010-2011 fiscal year to be allocated to the North Carolina Minority Support
31 Center for operating expenses and for the purpose of small business lending, loan growth,
32 mortgage lending, and financial literacy through a competitive grants process to North Carolina
33 community development credit unions.

34 **SECTION 6.** This act becomes effective July 1, 2010.